

Message Text

LIMITED OFFICIAL USE

PAGE 01 BUCHAR 04706 281150Z

14

ACTION EB-11

INFO OCT-01 EUR-25 ISO-00 CAB-09 CIAE-00 COME-00 DODE-00

INR-10 NSAE-00 RSC-01 FAA-00 L-03 SS-20 NSC-10 PA-04

USIA-15 PRS-01 DRC-01 /111 W
----- 108685

P R 281115Z DEC 73

FM AMEMBASSY BUCHAREST

TO SECSTATE WASHDC PRIORITY 7325

INFO AMEMBASSY BELGRADE

AMEMBASSY VIENNA

LIMITED OFFICIAL USE BUCHAREST 4706

E.O. 11652: N/A

TAGS: ETRN RO

SUBJ: CIVAIR--PROJECTED DISCONTINUATION OF PAN AM

REFS: (A) BUCHAREST 4654; (B) BUCHAREST 4660

1. MINISTER OF TOURISM ION COSMA SUPPORTED BY LARGE BATTERY OF TOURISM OFFICIALS CALLED IN CHARGE ON DEC. 28 TO PLEAD FOR RECONSIDERATION OF PAN AM CLOSURE HERE. COSMA NOTED THAT STOPPAGE WOULD CUT ACROSS EXCELLENT PROGRESS IN DEVELOPING US-ROMANIAN RELATIONS AND WAS ESPECIALLY UNFORTUNATE FOLLOW-UP TO CEAUSESCU'S US TRIP AND SIGNING OF AIR AGREEMENT EARLIER THIS MONTH. IN SUBSEQUENT CONVERSATION, ANOTHER ROMANIAN OFFICIAL NOTED THAT, ALTHOUGH PAN AM CLAIMED ONLY TEMPORARY SUSPENSION ENVISAGED DUE TO FUEL SHORTAGE, IT APPEARED TO BE CLOSING OUT ALL EMPLOYEES AND OFFICES INCLUDING COMMERCIAL (TICKET-SELLING) SIDE IMPLYING PERMANENT OR AT LEAST LONG-TERM CLOSEDOWN. COSMA ALSO NOTED THAT PAN AM SERVICE HERE HAD BEEN LINKED WITH OPENING OF INTER-CONTINENTAL HOTEL AND CLAIM WAS MADE THAT SPECIAL FACILITIES ACCORDED PAN AM NOT NORMALLY GIVEN OTHER FOREIGN AIRLINES. A THIRD OFFICIAL NOTED THAT TAROM SERVICE TO NEW YORK

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BUCHAR 04706 281150Z

WOULD NOT START UNTIL LATE SPRING, PERHAPS AS LATE AS JUNE,

AND THAT CUT-OFF WAS PARTICULARLY HARMFUL IN INTERIM. EVEN THEREAFTER, COSMA HELD THAT THERE WAS AMPLE ROOM FOR BOTH AIRLINES TO OPERATE US-ROMANIA SERVICES PROFITABLY. HE ALSO NOTED THAT PAN AM WOULD CONTINUE FLIGHTS WEEKLY TO PRAGUE ALTHOUGH LATTER PROBABLY LESS PROFITABLE AND LESS DESERVING FROM POLICY STANDPOINT. IN CONCLUSION, I PROMISED TO CONVEY COSMA'S DEMARCHE TO WASHINGTON AND REQUEST RESPONSE SOONEST ON WHETHER DECISION COULD BE RECONSIDERED.

2. IN CHECKING WITH LOCAL PAN AM REP LAMURAGLIA, WE FOUND THAT HE HAS BEEN GIVEN ORAL INSTRUCTIONS TO INFORM GOR AUTHORITIES THAT PAN AM WILL SUSPEND ALL PHASES OF OPERATIONS INCLUDING TICKET SALES, AND TO BE PREPARED TO DISPOSE OF QUARTERS, OFFICE AND ALL FURNISHINGS. FOLLOWING TELEX INFORMATION FROM NEW YORK ON DEC. 10 INFORMING LAMURAGLIA THAT PAN AM HAD REQUESTED CAB AUTHORITY TEMPORARILY TO SUSPEND (FOR ONE YEAR) ITS SERVICES TO BUCHAREST DUE TO FUEL SHORTFALLS, LAMURAGLIA THEN RECEIVED TELEX INSTRUCTIONS (ON DEC. 24) THAT STAFFING OF BUCHAREST OFFICE REDUCED TO ZERO PERSONNEL AS OF JAN. 1. TODAY, DEC. 28, PAA VICE PRESIDENT, INTERNATIONAL AFFAIRS NEW YORK CONFIRMED BY TELEX INSTRUCTIONS FOR LOCAL REP TO NOTIFY GOR CIVAIR AUTHORITIES IN WRITING OF PAA INTENTION TO SUSPEND SERVICE TO BUCHAREST TEMPORARILY; SAME CABLE ASKS LAMURAGLIA TO INFORM GOR ORALLY THAT SUSPENSION OF PAA SERVICE SHOULD HAVE NO EFFECT ON TAROM PLANS TO PROVIDE FLIGHT SERVICE BETWEEN BUCHAREST AND NEW YORK. LAMURAGLIA WAS UNABLE TO SHOW US WRITTEN NOTIFICATION THAT CAB HAD APPROVED PAA REQUEST, AND HAS NOT YET RECEIVED CLARIFICATION OF EARLIER ORAL INSTRUCTIONS CONCERNING OFFICE CLOSEDOWN AND DISPOSAL OF ALL EQUIPMENT AND FURNISHINGS.

3. WE WONDER IF BY COMBINATION OF ORAL ADVICE AND WRITTEN INSTRUCTIONS FOR PAN AM REP TO NOTIFY GOR OF "INTENTION" TO CLOSE DOWN OPERATIONS, PAN AM IS NOT ATTEMPTING TO FORCE IMMEDIATE DE FACTO PERMANENT CLOSURE OF BUCHAREST OFFICE WITHOUT (OR PRIOR TO) RECEIVING CAB APPROVAL. AS DEPARTMENT KNOWS, OPENING (OR REOPENING) OF FOREIGN BUSINESS OFFICE IN BUCHAREST IS EXTREMELY LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 BUCAR 04706 281150Z

DIFFICULT AND IN CASE OF PAN AM, WHERE TRAINED PERSONNEL AND CONVENIENT OFFICE SPACE ARE IMPORTANT, WE ESTIMATE THIS COULD NOT BE ACCOMPLISHED IN LESS THAN SIX MONTHS. LAMURAGLIA INFORMS US THAT TO FIND AND FURNISH OFFICE SPACE, AND TO ORGANIZE PARTIALLY TRAINED STAFF WILL CONSUME ABOUT EIGHT MONTHS BASED ON PAST EXPERIENCE. LOCATING*AN APARTMENT ALONE TOOK ABOUT EIGHTEEN MONTHS IN LAMURAGLIA'S CASE AND THIS IS NOT UNUSUAL FOR PRIVATE

BUSINESSMEN WORKING ALONE.

4. ACTION REQUESTED: WE, OF COURSE, KNOW ONLY PART OF
FACTS HERE. EMBASSY WOULD, NEVERTHELESS, APPRECIATE
REVIEW OF SITUATION AND URGENT INSTRUCTIONS AS TO WHAT
WE CAN TELL MINISTER COSMA.
MARTENS

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CIVIL AVIATION, JET FUEL, AIR SCHEDULES
Control Number: n/a
Copy: SINGLE
Draft Date: 28 DEC 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: morefirh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973BUCHAR04706
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: BUCHAREST
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t1973124/aaaaachv.tel
Line Count: 122
Locator: TEXT ON-LINE
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: (A) BUCHAREST 4654; (B) BUCHAREST 46, 60
Review Action: RELEASED, APPROVED
Review Authority: morefirh
Review Comment: n/a
Review Content Flags:
Review Date: 26 SEP 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <26-Sep-2001 by freemaal>; APPROVED <01-Nov-2001 by morefirh>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CIVAIR--PROJECTED DISCONTINUATION OF PAN AM
TAGS: ETRN, ENRG, RO, PANAM
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005